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7 Attorneys for Plaintiffs  
8 *FONTM VENTURES B.V.* and  
*FONTM HOLDINGS 1 B.V.*

9  
10 UNITED STATES DISTRICT COURT  
11 CENTRAL DISTRICT OF CALIFORNIA  
12

13 FONTM VENTURES B.V., a  
Netherlands company; and FONTM  
14 HOLDINGS 1 B.V., a Netherlands  
company,

15 Plaintiffs,

16 v.

17 LOEC, Inc., dba blu ecigs., a Delaware  
18 corporation, and DOES 1-5, Inclusive,

19 Defendant.  
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Case No. CV14-1648

**COMPLAINT FOR PATENT  
INFRINGEMENT**

**DEMAND FOR JURY TRIAL**

1 For its Complaint against Defendant LOEC, INC. (“Defendant”), Plaintiff  
2 Fontem Ventures B.V. (“Fontem Ventures”) and Plaintiff Fontem Holdings 1 B.V.  
3 (“Fontem Holdings”) allege as follows:

4 **JURISDICTION AND VENUE**

5 1. This is a civil action for patent infringement arising under the patent  
6 laws of the United States, 35 U.S.C. §§ 101, et seq., and in particular § 271.

7 2. This Court has subject matter jurisdiction over this patent infringement  
8 action under 28 U.S.C. §§ 1331 and 1338(a).

9 3. This Court has personal jurisdiction over Defendant because it solicits  
10 and conducts business in California, including the provision of goods over the  
11 Internet, derives revenue from goods sold in California and within this judicial  
12 district, and has committed acts of infringement in this judicial district.

13 4. Venue lies in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and  
14 (c), and 1400(b).

15 **PARTIES**

16 5. Plaintiff Fontem Ventures is a company organized and existing under  
17 the laws of the Netherlands, with its principal place of business at 12th Floor, 101  
18 Barbara Strozzi laan, 1083 HN Amsterdam, The Netherlands. Fontem Ventures is  
19 in the business of developing innovative non-tobacco products, including electronic  
20 cigarettes.

21 6. Plaintiff Fontem Holdings is a company organized and existing under  
22 the laws of the Netherlands, with its principal place of business at 12th Floor, 101  
23 Barbara Strozzi laan, 1083 HN Amsterdam, The Netherlands.

24 7. Plaintiffs Fontem Ventures and Fontem Holdings (together, “the  
25 Plaintiffs”) are informed and believe that: Defendant LOEC, Inc. (“LOEC”) is a  
26 corporation organized and existing under the laws of the State of Delaware, having  
27 its principal place of business at 714 Green Valley Rd., Greensboro, North  
28 Carolina, 27408, USA. LOEC is doing business in this judicial district related to

1 the claims asserted in this Complaint.

2 8. The true names and capacities, whether individual, corporate,  
3 associate, or otherwise of defendants sued herein as DOES 1 through 5, inclusive,  
4 are unknown to the Plaintiffs at the present time, and the Plaintiffs therefore sue  
5 said Defendants by such fictitious names. The Plaintiffs, after obtaining leave of  
6 court, if necessary, will amend this Complaint to show such true names and  
7 capacities when the same have been ascertained.

### 8 **FIRST CAUSE OF ACTION**

9 (Infringement of U.S. Patent No. 8,365,742)

10 9. The Plaintiffs incorporate by reference the allegations contained in  
11 paragraphs 1-8 above.

12 10. Plaintiff Fontem Holdings is the owner of the entire right, title, and  
13 interest in and to United States Patent No. 8,365,742 (“the ’742 Patent”) and  
14 Plaintiff Fontem Ventures is the exclusive licensee of the ’742 Patent. The ’742  
15 Patent was duly and legally issued by the United States Patent Office on February  
16 5, 2013 and is valid, subsisting, and in full force and effect. A copy of the ’742  
17 Patent is attached to the Complaint as Exhibit A.

18 11. The Plaintiffs are informed and believe that: Defendant has had  
19 knowledge of the ’742 Patent, and of the Plaintiffs’ rights therein, at least as of  
20 February 13, 2014. On this date, a Joint Status Report containing an assignment  
21 document identifying Plaintiff Fontem Holdings as the owner of the ’742 Patent  
22 was filed in a related case.<sup>1</sup> The Joint Status Report was reviewed and signed by  
23 Defendant’s counsel. Defendant shall have additional knowledge of the ’742 Patent  
24

25 <sup>1</sup>See Joint Status Report filed February 13, 2014 (Dkt. No. 63, Exh. A) in  
26 *Ruyan Investment Holdings Limited v. Sottera, Inc.*, Case No. CV 12-05454 GAF  
27 (FFMx) (C.D. Cal.), which is consolidated for purposes of discovery with Case  
28 Nos. CV 12-05455 GAF (FFMx), CV 12-05456 GAF (FFMx), CV 12-05462 GAF  
(FFMx), CV 12-05466 GAF (FFMx), CV 12-05468 GAF (FFMx), CV 12-05472  
GAF (FFMx), CV 12-05477 GAF (FFMx), CV 12-05482 GAF (FFMx), and CV  
12-06268 GAF (FFMx).

1 as of the date of service for the present Complaint.

2 12. The Plaintiffs are informed and believe that: Defendant has directly  
3 infringed the '742 Patent in violation of at least 35 U.S.C. § 271(a) by, itself and/or  
4 through its agents, unlawfully and wrongfully making, using, importing, offering to  
5 sell, and/or selling electronic cigarette products embodying one or more of the  
6 inventions claimed in the '742 Patent, within and/or from the United States without  
7 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
8 by this Court. Examples of electronic cigarette products that directly infringe the  
9 '742 Patent include, but are not limited to, (1) blu Rechargeable Electronic  
10 Cigarettes as found in Starter Kits such as the blu Starter Pack, the blu Premium  
11 Starter Kit, the blu Premium100 Starter Kit, and the blu Original Starter Kit; (2) blu  
12 Electronic Cigarette Flavor Cartridge refill packs for use with blu eCig Batteries  
13 purchased separately or as part of a blu Starter Pack, blu Premium Starter Kit, blu  
14 Premium100 Starter Kit, or blu Original Starter Kit; (3) blu eCig Batteries; and  
15 (4) blu Disposable Electronic Cigarettes. Such products infringe at least claims 2  
16 and 3 of the '742 Patent.

17 13. The Plaintiffs are informed and believe that: Defendant has contributed  
18 to the infringement of the '742 Patent in violation of at least 35 U.S.C. § 271(c) by,  
19 itself and/or through its agents, contributing to the direct infringement of the '742  
20 Patent by its customers by unlawfully and wrongfully making, using, importing,  
21 offering to sell, and/or selling electronic cigarette components having no  
22 substantially non-infringing use, which, when purchased and/or used by its  
23 customers, result in direct infringement of one or more embodiments of the  
24 inventions claimed in the '742 Patent, within and/or from the United States without  
25 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
26 by this Court. Examples of electronic cigarette components that have no substantial  
27 noninfringing uses and that contribute to the direct infringement of the '742 Patent  
28 include, but are not limited to, (1) blu Electronic Cigarette Flavor Cartridge refill

1 packs (“blu E-Cig Cartridges”) for use with blu eCig Batteries purchased separately  
 2 or as part of a blu Starter Pack, blu Premium Starter Kit, blu Premium100 Starter  
 3 Kit, or blu Original Starter Kit; and (2) blu E-cig Batteries.

4 14. The Plaintiffs are informed and believe that: Having knowledge of the  
 5 ’742 Patent, Defendant has been aware that its blu E-Cig Cartridges and blu E-cig  
 6 Batteries, when purchased and/or used by its customers, result in direct  
 7 infringement of one or more embodiments of the inventions claimed in the ’742  
 8 Patent. Defendant states on its website that “[w]hen [a] cartridge no longer  
 9 produces vapor” it should be replaced.<sup>2</sup> To replace the cartridge, the website  
 10 teaches users to “hold the battery with one hand and unscrew the cartridge from the  
 11 battery,” and to “take a new cartridge and screw it onto the battery.”<sup>3</sup> It also  
 12 instructs users to replace an empty battery with a fresh battery by “secur[ing] the  
 13 cartridge in one hand and unscrew[ing] the battery from the cartridge” and  
 14 “[g]rab[bing] the fresh battery...and reattach[ing] it to the cartridge.”<sup>4</sup> Moreover,  
 15 according to blu product user guides, blu cartridges “are designed to be used only  
 16 with your blu electronic cigarette and should not be used with any other device or  
 17 for any other application.”<sup>5</sup> As such, Defendant knows that its blu E-Cig Cartridges  
 18 and blu E-cig Batteries that are sold separately from its Starter Kits have no  
 19 substantial non-infringing uses other than to provide users with the ability to  
 20 assemble and use an electronic cigarette that infringes at least claims 2 and 3 of the  
 21 ’742 Patent, and therefore that they are especially made or adapted for use in  
 22 infringement of the ’742 Patent.

23 15. As a direct and proximate result of the foregoing acts of Defendant,

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24 <sup>2</sup> See, e.g., <http://www.blucigs.com/how-it-works-starter-pack>;  
 25 <http://www.blucigs.com/how-it-works-premium100>; and  
 26 <http://www.blucigs.com/how-it-works> (last visited March 5, 2014).

27 <sup>3</sup> *Id.*

28 <sup>4</sup> *Id.*

<sup>5</sup> See Product User Guides, which are available for download under  
 Frequently Asked Question No. 32, found at [http://www.blucigs.com/customer-](http://www.blucigs.com/customer-service)  
 service (last visited March 5, 2014).

1 the Plaintiffs have suffered, and are entitled to, monetary damages in an amount not  
2 yet determined. The Plaintiffs are also entitled to their costs of suit and interest.

3 16. Defendant's continuing infringement has inflicted and, unless  
4 restrained by this court, will continue to inflict great and irreparable harm upon the  
5 Plaintiffs. The Plaintiffs have no adequate remedy at law. The Plaintiffs are  
6 entitled to preliminary and permanent injunctions enjoining Defendant from  
7 engaging in further acts of infringement.

## 8 **SECOND CAUSE OF ACTION**

9 (Infringement of U.S. Patent No. 8,375,957)

10 17. The Plaintiffs incorporate by reference the allegations contained in  
11 paragraphs 1-8 above.

12 18. Fontem Holdings is the owner of the entire right, title, and interest in  
13 and to United States Patent No. 8,375,957 ("the '957 Patent") and Fontem Ventures  
14 is the exclusive licensee of the '957 Patent. The '957 Patent was duly and legally  
15 issued by the United States Patent Office on February 19, 2013 and is valid,  
16 subsisting, and in full force and effect. A copy of the '957 Patent is attached to the  
17 Complaint as Exhibit B.

18 19. The Plaintiffs are informed and believe that: Defendant has had  
19 knowledge of the '957 Patent, and of the Plaintiffs' rights therein, at least as of  
20 February 13, 2014. On this date, a Joint Status Report containing an assignment  
21 document identifying Plaintiff Fontem Holdings as the owner of the '957 Patent  
22 was filed in a related case.<sup>6</sup> The Joint Status Report was reviewed and signed by  
23 Defendant's counsel. Defendant shall have additional knowledge of the '957 Patent  
24

25 <sup>6</sup>See Joint Status Report filed February 13, 2014 (Dkt. No. 63, Exh. A) in  
26 *Ruyan Investment Holdings Limited v. Sottera, Inc.*, Case No. CV 12-05454 GAF  
27 (FFMx) (C.D. Cal.), which is consolidated for purposes of discovery with Case  
28 Nos. CV 12-05455 GAF (FFMx), CV 12-05456 GAF (FFMx), CV 12-05462 GAF  
(FFMx), CV 12-05466 GAF (FFMx), CV 12-05468 GAF (FFMx), CV 12-05472  
GAF (FFMx), CV 12-05477 GAF (FFMx), CV 12-05482 GAF (FFMx), and CV  
12-06268 GAF (FFMx).

1 as of the date of service for the present Complaint.

2 20. The Plaintiffs are informed and believe that: Defendant has directly  
3 infringed the '957 Patent in violation of at least 35 U.S.C. § 271(a) by, itself and/or  
4 through its agents, unlawfully and wrongfully making, using, importing, offering to  
5 sell, and/or selling electronic cigarette products embodying one or more of the  
6 inventions claimed in the '957 Patent, within and/or from the United States without  
7 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
8 by this Court. Examples of electronic cigarette products that directly infringe the  
9 '957 Patent include, but are not limited to, (1) blu Rechargeable Electronic  
10 Cigarettes as found in Starter Kits such as the blu Starter Pack, the blu Premium  
11 Starter Kit, the blu Premium100 Starter Kit, and the blu Original Starter Kit; (2) blu  
12 Electronic Cigarette Flavor Cartridge refill packs for use with blu eCig Batteries  
13 purchased separately or as part of a blu Starter Pack, blu Premium Starter Kit, blu  
14 Premium100 Starter Kit, or blu Original Starter Kit; and (3) blu eCig Batteries.  
15 Such products infringe at least claims 1, 10, and 23 of the '957 Patent.

16 21. The Plaintiffs are informed and believe that: Defendant has contributed  
17 to the infringement of the '957 Patent in violation of at least 35 U.S.C. § 271(c) by,  
18 itself and/or through its agents, contributing to the direct infringement of the '957  
19 Patent by its customers by unlawfully and wrongfully making, using, importing,  
20 offering to sell, and/or selling electronic cigarette components having no  
21 substantially non-infringing use, which, when purchased and/or used by its  
22 customers, result in direct infringement of one or more embodiments of the  
23 inventions claimed in the '957 Patent, within and/or from the United States without  
24 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
25 by this Court. Examples of electronic cigarette components that have no substantial  
26 noninfringing uses and that contribute to the direct infringement of the '957 Patent  
27 include, but are not limited to, (1) blu Electronic Cigarette Flavor Cartridge refill  
28 packs ("blu E-Cig Cartridges") for use with blu eCig Batteries purchased separately



1 or as part of a blu Starter Pack, blu Premium Starter Kit, blu Premium100 Starter  
2 Kit, or blu Original Starter Kit; and (2) blu E-cig Batteries.

3 22. The Plaintiffs are informed and believe that: Having knowledge of the  
4 '957 Patent, Defendant has been aware that its blu E-Cig Cartridges and blu E-cig  
5 Batteries, when purchased and/or used by its customers, result in direct  
6 infringement of one or more embodiments of the inventions claimed in the '957  
7 Patent. Defendant states on its website that "[w]hen [a] cartridge no longer  
8 produces vapor" it should be replaced.<sup>7</sup> To replace the cartridge, the website  
9 teaches users to "hold the battery with one hand and unscrew the cartridge from the  
10 battery," and to "take a new cartridge and screw it onto the battery."<sup>8</sup> It also  
11 instructs users to replace an empty battery with a fresh battery by "secur[ing] the  
12 cartridge in one hand and unscrew[ing] the battery from the cartridge" and  
13 "[g]rab[bing] the fresh battery...and reattach[ing] it to the cartridge."<sup>9</sup> Moreover,  
14 according to blu product user guides, blu cartridges "are designed to be used only  
15 with your blu electronic cigarette and should not be used with any other device or  
16 for any other application."<sup>10</sup> As such, Defendant knows that its blu E-Cig  
17 Cartridges and blu E-cig Batteries that are sold separately from its Starter Kits have  
18 no substantial non-infringing uses other than to provide users with the ability to  
19 assemble and use an electronic cigarette that infringes at least claims 1, 10, and 23  
20 of the '957 Patent, and therefore that they are especially made or adapted for use in  
21 infringement of the '957 Patent.

22 23. As a direct and proximate result of the foregoing acts of Defendant, the  
23 Plaintiffs have suffered, and are entitled to, monetary damages in an amount not yet

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24 <sup>7</sup> See, e.g., <http://www.blucigs.com/how-it-works-starter-pack>;  
25 <http://www.blucigs.com/how-it-works-premium100>; and  
26 <http://www.blucigs.com/how-it-works> (last visited March 5, 2014).

27 <sup>8</sup> *Id.*

28 <sup>9</sup> *Id.*

<sup>10</sup> See Product User Guides, which are available for download under  
Frequently Asked Question No. 32, found at [http://www.blucigs.com/customer-](http://www.blucigs.com/customer-service)  
service (last visited March 5, 2014).



1 determined. The Plaintiffs are also entitled to their costs of suit and interest.

2 24. Defendant's continuing infringement has inflicted and, unless  
3 restrained by this court, will continue to inflict great and irreparable harm upon the  
4 Plaintiffs. The Plaintiffs have no adequate remedy at law. The Plaintiffs are  
5 entitled to preliminary and permanent injunctions enjoining Defendant from  
6 engaging in further acts of infringement.

### 7 **THIRD CAUSE OF ACTION**

8 (Infringement of U.S. Patent No. 8,393,331)

9 25. The Plaintiffs incorporate by reference the allegations contained in  
10 paragraphs 1-8 above.

11 26. Fontem Holdings is the owner of the entire right, title, and interest in  
12 and to United States Patent No. 8,393,331 ("the '331 Patent") and Fontem Ventures  
13 is the exclusive licensee of the '331 Patent. The '331 Patent was duly and legally  
14 issued by the United States Patent Office on March 12, 2013 and is valid,  
15 subsisting, and in full force and effect. A copy of the '331 Patent is attached to the  
16 Complaint as Exhibit C.

17 27. The Plaintiffs are informed and believe that: Defendant has had  
18 knowledge of the '331 Patent, and of the Plaintiffs' rights therein, at least as of  
19 February 13, 2014. On this date, a Joint Status Report containing an assignment  
20 document identifying Plaintiff Fontem Holdings as the owner of the '331 Patent  
21 was filed in a related case.<sup>11</sup> The Joint Status Report was reviewed and signed by  
22 Defendant's counsel. Defendant shall have additional knowledge of the '331 Patent  
23 as of the date of service for the present Complaint.

24 \_\_\_\_\_  
25 <sup>11</sup>See Joint Status Report filed February 13, 2014 (Dkt. No. 63, Exh. A) in  
26 *Ruyan Investment Holdings Limited v. Sottera, Inc.*, Case No. CV 12-05454 GAF  
27 (FFMx) (C.D. Cal.), which is consolidated for purposes of discovery with Case  
28 Nos. CV 12-05455 GAF (FFMx), CV 12-05456 GAF (FFMx), CV 12-05462 GAF  
(FFMx), CV 12-05466 GAF (FFMx), CV 12-05468 GAF (FFMx), CV 12-05472  
GAF (FFMx), CV 12-05477 GAF (FFMx), CV 12-05482 GAF (FFMx), and CV  
12-06268 GAF (FFMx).

1           28. The Plaintiffs are informed and believe that: Defendant has directly  
2 infringed the '331 Patent in violation of at least 35 U.S.C. § 271(a) by, itself and/or  
3 through its agents, unlawfully and wrongfully making, using, importing, offering to  
4 sell, and/or selling electronic cigarette products embodying one or more of the  
5 inventions claimed in the '331 Patent, within and/or from the United States without  
6 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
7 by this Court. Examples of electronic cigarette products that directly infringe the  
8 '331 Patent include, but are not limited to, (1) blu Rechargeable Electronic  
9 Cigarettes as found in Starter Kits such as the blu Starter Pack, the blu Premium  
10 Starter Kit, the blu Premium100 Starter Kit, and the blu Original Starter Kit; (2) blu  
11 Electronic Cigarette Flavor Cartridge refill packs for use with blu eCig Batteries  
12 purchased separately or as part of a blu Starter Pack, blu Premium Starter Kit, blu  
13 Premium100 Starter Kit, or blu Original Starter Kit; (3) blu eCig Batteries; and  
14 (4) blu Disposable Electronic Cigarettes. Such products infringe at least claims 1  
15 and 2 of the '331 Patent.

16           29. The Plaintiffs are informed and believe that: Defendant has contributed  
17 to the infringement of the '331 Patent in violation of at least 35 U.S.C. § 271(c) by,  
18 itself and/or through its agents, contributing to the direct infringement of the '331  
19 Patent by its customers by unlawfully and wrongfully making, using, importing,  
20 offering to sell, and/or selling electronic cigarette components having no  
21 substantially non-infringing use, which, when purchased and/or used by its  
22 customers, result in direct infringement of one or more embodiments of the  
23 inventions claimed in the '331 Patent, within and/or from the United States without  
24 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
25 by this Court. Examples of electronic cigarette components that have no substantial  
26 noninfringing uses and that contribute to the direct infringement of the '331 Patent  
27 include, but are not limited to, (1) blu Electronic Cigarette Flavor Cartridge refill  
28 packs ("blu E-Cig Cartridges") for use with blu eCig Batteries purchased separately

1 or as part of a blu Starter Pack, blu Premium Starter Kit, blu Premium100 Starter  
2 Kit, or blu Original Starter Kit; and (2) blu E-cig Batteries.

3 30. The Plaintiffs are informed and believe that: Having knowledge of the  
4 '331 Patent, Defendant has been aware that its blu E-Cig Cartridges and blu E-cig  
5 Batteries, when purchased and/or used by its customers, result in direct  
6 infringement of one or more embodiments of the inventions claimed in the '331  
7 Patent. Defendant states on its website that "[w]hen [a] cartridge no longer  
8 produces vapor" it should be replaced.<sup>12</sup> To replace the cartridge, the website  
9 teaches users to "hold the battery with one hand and unscrew the cartridge from the  
10 battery," and to "take a new cartridge and screw it onto the battery."<sup>13</sup> It also  
11 instructs users to replace an empty battery with a fresh battery by "secur[ing] the  
12 cartridge in one hand and unscrew[ing] the battery from the cartridge" and  
13 "[g]rab[bing] the fresh battery...and reattach[ing] it to the cartridge."<sup>14</sup> Moreover,  
14 according to blu product user guides, blu cartridges "are designed to be used only  
15 with your blu electronic cigarette and should not be used with any other device or  
16 for any other application."<sup>15</sup> As such, Defendant knows that its blu E-Cig  
17 Cartridges and blu E-cig Batteries that are sold separately from its Starter Kits have  
18 no substantial non-infringing uses other than to provide users with the ability to  
19 assemble and use an electronic cigarette that infringes at least at least claims 1 and  
20 2 of the '331 Patent, and therefore that they are especially made or adapted for use  
21 in infringement of the '331 Patent.

22 31. As a direct and proximate result of the foregoing acts of Defendant, the  
23 Plaintiffs have suffered, and are entitled to, monetary damages in an amount not yet

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24 <sup>12</sup> See, e.g., <http://www.blucigs.com/how-it-works-starter-pack>;  
25 <http://www.blucigs.com/how-it-works-premium100>; and  
26 <http://www.blucigs.com/how-it-works> (last visited March 5, 2014).

27 <sup>13</sup> *Id.*

28 <sup>14</sup> *Id.*

<sup>15</sup> See Product User Guides, which are available for download under  
Frequently Asked Question No. 32, found at [http://www.blucigs.com/customer-](http://www.blucigs.com/customer-service)  
service (last visited March 5, 2014).

1 determined. The Plaintiffs are also entitled to their costs of suit and interest.

2 32. Defendant's continuing infringement has inflicted and, unless  
3 restrained by this court, will continue to inflict great and irreparable harm upon the  
4 Plaintiffs. The Plaintiffs have no adequate remedy at law. The Plaintiffs are  
5 entitled to preliminary and permanent injunctions enjoining Defendant from  
6 engaging in further acts of infringement.

#### 7 **FOURTH CAUSE OF ACTION**

8 (Infringement of U.S. Patent No. 8,490,628)

9 33. The Plaintiffs incorporate by reference the allegations contained in  
10 paragraphs 1-8 above.

11 34. Fontem Holdings is the owner of the entire right, title, and interest in  
12 and to United States Patent No. 8,490,628 ("the '628 Patent") and Fontem Ventures  
13 is the exclusive licensee of the '628 Patent. The '628 Patent was duly and legally  
14 issued by the United States Patent Office on July 23, 2013 and is valid, subsisting,  
15 and in full force and effect. A copy of the '628 Patent is attached to the Complaint  
16 as Exhibit D.

17 35. The Plaintiffs are informed and believe that: Defendant has had  
18 knowledge of the '628 Patent, and of the Plaintiffs' rights therein, at least as of  
19 February 13, 2014. On that date, a Joint Status Report containing an assignment  
20 document identifying Plaintiff Fontem Holdings as the owner of the '628 Patent  
21 was filed in a related case.<sup>16</sup> The Joint Status Report was reviewed and signed by  
22 Defendant's counsel. Defendant shall have additional knowledge of the '628 Patent  
23 as of the date of service for the present Complaint.

24 \_\_\_\_\_  
25 <sup>16</sup>See Joint Status Report filed February 13, 2014 (Dkt. No. 63, Exh. A) in  
26 *Ruyan Investment Holdings Limited v. Sottera, Inc.*, Case No. CV 12-05454 GAF  
27 (FFMx) (C.D. Cal.), which is consolidated for purposes of discovery with Case  
28 Nos. CV 12-05455 GAF (FFMx), CV 12-05456 GAF (FFMx), CV 12-05462 GAF  
(FFMx), CV 12-05466 GAF (FFMx), CV 12-05468 GAF (FFMx), CV 12-05472  
GAF (FFMx), CV 12-05477 GAF (FFMx), CV 12-05482 GAF (FFMx), and CV  
12-06268 GAF (FFMx).

1           36. The Plaintiffs are informed and believe that: Defendant has directly  
2 infringed the '628 Patent in violation of at least 35 U.S.C. § 271(a) by, itself and/or  
3 through its agents, unlawfully and wrongfully making, using, importing, offering to  
4 sell, and/or selling electronic cigarette products embodying one or more of the  
5 inventions claimed in the '628 Patent, within and/or from the United States without  
6 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
7 by this Court. Examples of electronic cigarette products that directly infringe the  
8 '628 Patent include, but are not limited to, (1) blu Rechargeable Electronic  
9 Cigarettes as found in Starter Kits such as the blu Starter Pack, the blu Premium  
10 Starter Kit, the blu Premium100 Starter Kit, and the blu Original Starter Kit; (2) blu  
11 Electronic Cigarette Flavor Cartridge refill packs for use with blu eCig Batteries  
12 purchased separately or as part of a blu Starter Pack, blu Premium Starter Kit, blu  
13 Premium100 Starter Kit, or blu Original Starter Kit; (3) blu eCig Batteries; and  
14 (4) blu Disposable Electronic Cigarettes. Such products infringe at least claims 1,  
15 7, and 8 of the '628 Patent.

16           37. The Plaintiffs are informed and believe that: Defendant has contributed  
17 to the infringement of the '628 Patent in violation of at least 35 U.S.C. § 271(c) by,  
18 itself and/or through its agents, contributing to the direct infringement of the '628  
19 Patent by its customers by unlawfully and wrongfully making, using, importing,  
20 offering to sell, and/or selling electronic cigarette components having no  
21 substantially non-infringing use, which, when purchased and/or used by its  
22 customers, result in direct infringement of one or more embodiments of the  
23 inventions claimed in the '628 Patent, within and/or from the United States without  
24 permission or license from the Plaintiffs, and will continue to do so unless enjoined  
25 by this Court. Examples of electronic cigarette components that have no substantial  
26 noninfringing uses and that contribute to the direct infringement of the '628 Patent  
27 include, but are not limited to, (1) blu Electronic Cigarette Flavor Cartridge refill  
28 packs ("blu E-Cig Cartridges") for use with blu eCig Batteries purchased separately

1 or as part of a blu Starter Pack, blu Premium Starter Kit, blu Premium100 Starter  
2 Kit, or blu Original Starter Kit; and (2) blu E-cig Batteries.

3 38. The Plaintiffs are informed and believe that: Having knowledge of the  
4 '628 Patent, Defendant has been aware that its blu E-Cig Cartridges and blu E-cig  
5 Batteries, when purchased and/or used by its customers, result in direct  
6 infringement of one or more embodiments of the inventions claimed in the '628  
7 Patent. Defendant states on its website that "[w]hen [a] cartridge no longer  
8 produces vapor" it should be replaced.<sup>17</sup> To replace the cartridge, the website  
9 teaches users to "hold the battery with one hand and unscrew the cartridge from the  
10 battery," and to "take a new cartridge and screw it onto the battery."<sup>18</sup> It also  
11 instructs users to replace an empty battery with a fresh battery by "secur[ing] the  
12 cartridge in one hand and unscrew[ing] the battery from the cartridge" and  
13 "[g]rab[bing] the fresh battery...and reattach[ing] it to the cartridge."<sup>19</sup> Moreover,  
14 according to blu product user guides, blu cartridges "are designed to be used only  
15 with your blu electronic cigarette and should not be used with any other device or  
16 for any other application."<sup>20</sup> As such, Defendant knows that its blu E-Cig  
17 Cartridges and blu E-cig Batteries that are sold separately from its Starter Kits have  
18 no substantial non-infringing uses other than to provide users with the ability to  
19 assemble and use an electronic cigarette that infringes at least claims 1, 7, and 8 of  
20 the '628 Patent, and therefore that they are especially made or adapted for use in  
21 infringement of the '628 Patent.

22 39. As a direct and proximate result of the foregoing acts of Defendant, the  
23 Plaintiffs have suffered, and are entitled to, monetary damages in an amount not yet

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24 <sup>17</sup> See, e.g., <http://www.blucigs.com/how-it-works-starter-pack>;  
25 <http://www.blucigs.com/how-it-works-premium100>; and  
26 <http://www.blucigs.com/how-it-works> (last visited March 5, 2014).

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

27 <sup>20</sup> See Product User Guides, which are available for download under  
28 Frequently Asked Question No. 32, found at [http://www.blucigs.com/customer-](http://www.blucigs.com/customer-service)  
service (last visited March 5, 2014).

1 determined. The Plaintiffs are also entitled to their costs of suit and interest.

2 40. Defendant's continuing infringement has inflicted and, unless  
3 restrained by this court, will continue to inflict great and irreparable harm upon the  
4 Plaintiffs. The Plaintiffs have no adequate remedy at law. The Plaintiffs are  
5 entitled to preliminary and permanent injunctions enjoining Defendant from  
6 engaging in further acts of infringement.

7 **PRAYER FOR RELIEF**

8 The Plaintiffs request entry of judgment that:

9 A. The '742 Patent, the '957 Patent, the '331 Patent, and the '628 Patent  
10 are valid and enforceable;

11 B. Defendant is liable for infringement of the '742 Patent, the '957  
12 Patent, the '331 Patent, and the '628 Patent under at least the provisions of 35  
13 U.S.C. § 271(a) and/or (c);

14 C. Defendant and all affiliates, subsidiaries, officers, employees, agents,  
15 representatives, licensees, successors, assigns, and all those acting in concert with,  
16 or for or on behalf of Defendant, shall be enjoined from infringing the '742 Patent,  
17 the '957 Patent, the '331 Patent, and the '628 Patent;

18 D. Defendant shall pay damages to the Plaintiffs resulting from  
19 Defendant's patent infringement pursuant to 35 U.S.C. § 284;

20 E. The Plaintiffs be entitled to prejudgment interest and post-judgment  
21 interest on the damages; and

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1           The Plaintiffs be awarded such other and further relief, in law or in equity, as  
2     the Court deems just, equitable or appropriate.

3  
4     DATED: March 5, 2014

Respectfully submitted,

5           **PERKINS COIE LLP**

6  
7           By: /s/Michael J. Wise  
              Michael J. Wise

8           Attorneys for Plaintiff  
9           *Fontem Ventures B.V.* and  
10          *Fontem Holdings I B.V.*

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**DEMAND FOR JURY TRIAL**

Plaintiffs Fontem Ventures and Fontem Holdings hereby demand a trial by jury of all issues triable by a jury.

DATED: March 5, 2014

**PERKINS COIE LLP**

By: /s/Michael J. Wise  
Michael J. Wise

Attorneys for Plaintiff  
*Fontem Ventures B.V.* and  
*Fontem Holdings I B.V.*